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SOUTHERN UNIVERSITY ALUMNI FEDERATION

AUDITED FINANCIAL STATEMENTS

JUNE 30, 1996

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8-7-96

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July 13, 1996

Independent Auditor's Report  
on the Financial Statements

SOUTHERN UNIVERSITY ALUMNI FEDERATION  
Baton Rouge, Louisiana

I have audited the accompanying balance sheet of Southern University Alumni Federation, an alumni association, as of June 30, 1996 and the related statements of support, expenses and changes in fund balance, and cash flows statement for the year then ended. These financial statements are the responsibility of the organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standard, the Government Auditing Standards issued by the Comptroller General of the United States and OMB Circular A-133, Audits of Institutions of Higher Education and Non-profit Organizations. Those standards require that plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit also includes assessing the accounting principles used and significant financial statements presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Southern University Alumni Federation at June 30, 1996 and the results of its operations and its cash flows for the year then ended, in conformity with generally accepted accounting principles.

  
Patricia Lego Lewis, CPA  
Plaquemine, Louisiana

Member of  
American Institute of Certified Public Accountants  
Society of Louisiana Certified Public Accountants

SOUTHERN UNIVERSITY ALUMNI FEDERATION  
BALANCE SHEET  
JUNE 30, 1996

ASSETS

Cash, Savings Account, & Investments (Notes A & C)	\$ 327,741
Land (Note B)	115,000
	-----
Total Assets	\$ 442,741
	=====

LIABILITIES AND FUND  
BALANCE

LIABILITIES

Current Liabilities Payables-Related Parties	\$ 156,874
	-----
Total Liabilities	156,874

Fund Balance	285,867
	-----
TOTAL LIABILITIES AND FUND BALANCE	\$ 442,741
	=====

The accompanying notes are an integral part of these financial statements.

SOUTHERN UNIVERSITY ALUMNI FEDERATION  
 STATEMENT OF SUPPORT, EXPENSES AND CHANGES IN FUND BALANCE  
 AS OF JUNE 30, 1996

PUBLIC SUPPORT AND REVENUES

Contributions	\$	249,862
Dues		53,018
Income/Fundraising/Other		32,922
		-----
Total Public Support and Revenues (Schedule I)		335,802

EXPENSES:

General Expenses (Schedule II)		272,180
Operating Expenses (Schedule II)		95,636
		-----
Total Expenses		367,816
		-----

EXCESS OF SUPPORT AND REVENUES  
 OVER EXPENSES

Fund Balance, beginning of year		(32,014)
		317,881
		-----
Fund Balance, end of year	\$	285,867
		=====

The accompanying notes are an integral part of these financial statements.

SOUTHERN UNIVERSITY ALUMNI FEDERATION  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 1996

<u>Increase (Decrease) In Cash</u>	
Cash Flows From Operating Activities:	
Cash received from contributions/dues	\$ 302,880
Cash received from fundraising/other	32,922
Cash paid for expenses	(370,750)
Decrease in accounts payable	(11,620)
	-----
NET CASH USED FOR OPERATING ACTIVITIES	(46,568)
Cash Flows From Investing Activities:	
Investment in Securities	(5,165)
	-----
NET CASH USED FOR INVESTING ACTIVITIES	(5,165)
NET DECREASE IN CASH	(51,733)
Cash, beginning of year	234,554
	-----
Cash, end of year	\$ 182,821
	=====

The accompanying notes are an integral part of these financial statements.

SOUTHERN UNIVERSITY ALUMNI FEDERATION  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 1996

<u>Wolf, Webb, Burk, &amp; Campbell</u>	
U S Treasury Notes	\$ 105,975
Money Funds	7,024
Corporate Notes	38,324
	-----
Total	151,323
	-----
<u>Merrill Lynch</u>	
Mutual Funds	14,864
Money Funds	206
	-----
Total	15,070
	-----
<u>Oppenheimer</u>	
Mutual Funds	32,866
	-----
Total Investments at Market Value	\$ 199,259
	=====

Note D - Income Tax Status

Because the alumni is exempt from federal income taxes, there is no provision for income taxes in the accompanying statements.

Note E - Payroll

The alumni is maintained by employees of Southern University. There is a supplementary salary paid to the Executive Director for his services to the alumni which totals \$11,700.

Note F - Budgets And Budgetary Accounting

The Alumni prepares a budget at the beginning of the fiscal year and it is approved by the alumni's president. The budget is then reported at the annual conference. Any changes to be made are recorded at that time.

OTHER SUPPLEMENTARY INFORMATION

SCHEDULE I

SOUTHERN UNIVERSITY ALUMNI FEDERATION  
 SCHEDULE OF SUPPORT/REVENUES  
 FOR THE YEAR ENDED JUNE 30, 1996

<u>NAME</u>	<u>AMOUNTS</u>
Dues & Memberships	\$ 53,018
Scholarships	87,601
Interest	10,375
Alumni Programs & Other	184,808
	-----
TOTAL SUPPORT/REVENUE	\$ 335,802
	=====

SCHEDULE II

SOUTHERN UNIVERSITY ALUMNI FEDERATION  
 STATEMENT OF REVENUES, EXPENSES AND FUND BALANCE  
 FOR THE YEAR ENDED JUNE 30, 1996

	<u>Budgeted</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues	\$ (294,000)	\$ (335,802)	\$ 41,802
<u>Expenses</u>			
Accounting Service	0	3,000	(3,000)
Alumni Sponsored			
Activities	23,500	76,569	(53,069)
Condolences	1,200	531	669
Dues & Affiliations	1,000	425	575
Office Operations	9,000	16,825	(7,825)
Postage	10,000	12,504	(2,504)
Public Relations	10,000	8,609	1,391
Scholarships	125,000	172,202	(47,202)
Southernite Production	35,000	18,028	16,972
Personnel	16,850	16,978	(128)
Travel & Entertainment	30,000	42,145	(12,145)
Total Expenses	<u>261,550</u>	<u>367,816</u>	<u>(106,266)</u>
Beginning Fund Balance	254,845	317,881	63,036
Ending Fund Balance	<u>\$ 287,295</u> =====	<u>\$ 285,867</u> =====	<u>\$ ( 1,428)</u> =====

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July 13, 1996

Independent Auditor's Report on Internal Control Structure  
Based Solely on an Audit of Southern University Alumni  
Federation

Southern University Alumni Federation  
Baton Rouge, Louisiana

I have audited the financial statements of Southern University Alumni Federation, an alumni association, as of and for the year ended June 30, 1996 and have issued my report thereon dated July 13, 1996. I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, and OMB Circular A-133, Audits of Institutions of Higher Education and Non-profit Organizations. Those standards required that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing the audit of the financial statements of the Southern University Alumni Federation as of the year ended June 30, 1996, I considered its internal control structure in order to determine my auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure.

Internal control structure consists of the control environment, accounting system, and control procedure used by the alumni. The internal control structure is the responsibility of management and is used to provide the alumni with a reasonable, but not absolute, ability to record, process, summarize, and report financial data consistent with the assertions embodied in the accompanying financial statements; to safeguard public assets; and to comply with laws and regulations. In fulfilling this responsibility, estimates and judgements by management are required to assess the expected benefits and related costs of internal control structure policies and procedures.

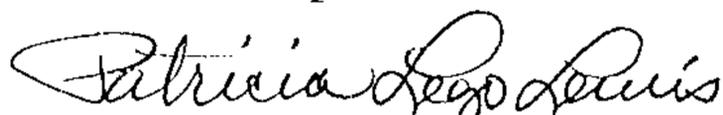
For the purpose of this report, I have classified the significant internal control structure policies and procedures into the following categories:

- \* Cash
- \* Support
- \* Expenses/Payable
- \* Land and Investments
- \* Budgeting

For all of the internal control structure categories listed above, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operations that I considered to be material weaknesses as defined above.

This report is intended for the information of management, and any government regulatory. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

  
Patricia Lego Lewis, CPA  
Plaquemine, Louisiana

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July 13, 1996

## Independent Auditor's Report on Compliance With Laws and Regulations Material to the Financial Statements

Southern University Alumni Federation  
Baton Rouge, Louisiana

I have audited the financial statements of Southern University Alumni Federation, an alumni association, as of and for the year ended June 30, 1996, and have issued my report thereon dated July 13, 1996. I conducted my audit in accordance with generally accepted auditing standards, and Government Auditing Standards issued by the comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with the laws and regulations applicable to Southern University Alumni Federation is the responsibility of the alumni. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the alumni's compliance with certain provisions of laws and regulations. However, my objective was not to provide an opinion on overall compliance with such provisions.

The results of my tests indicated that, with respect to the items tested, the Alumni complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to the items not tested, nothing came to my attention that caused me to believe that the alumni had not complied, in all material respects, with those provisions.

This report is intended for the information and use of the management of the alumni. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

  
Patricia Lego Lewis, CPA  
Plaquemine, Louisiana